

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
New York District Office
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New York, NY 10014
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January 25, 2007

Mr. Frank Fanelli, President
Postal Workers, AFL-CIO
Local 51
1000 Westchester Avenue
White Plains, NY 10601

Re: Case Number: [REDACTED]

Dear Mr. Fanelli:

This office has recently completed an audit of APWU Local 51 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As discussed during the exit interview with Frank Fanelli on January 24, 2007, the following problems were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that adequate records be maintained for at least 5 years by which each receipt and disbursement of funds, as well as all account balances, can be verified, explained, and clarified. As a general rule, all records used or received in the course of union business must be retained. This includes, in the case of disbursements, not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipient(s) of the goods or services. In most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a note can be written on it providing the additional information. An exception may be made only in those cases where 1) other equally descriptive documentation has been maintained, and 2) there is evidence of actual oversight and control over disbursements.


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The audit of Local 51's 2005 records revealed the following recordkeeping violations:

The local failed to maintain sales receipts for union credit card purchases. Although monthly billing statements are kept on file, there is no corresponding documentation to support disbursements made using the union's credit card. As agreed, provided that Local 51 maintains adequate documentation as discussed above in the future, no additional enforcement action will be taken regarding this violation.

I want to extend my personal appreciation to APWU Local 51 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance materials provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,


Investigator

cc: William Burrus, APWU National President